

RESTRICTED ACCOUNTS AMENDMENTS

2008 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Ron Bigelow

Senate Sponsor: Lyle W. Hillyard

LONG TITLE

General Description:

This bill amends the interest provisions of certain restricted accounts.

Highlighted Provisions:

This bill:

► requires interest earnings in certain restricted accounts to be deposited into the General Fund rather than into the restricted account.

Monies Appropriated in this Bill:

None

Other Special Clauses:

This bill takes effect on July 1, 2008.

Utah Code Sections Affected:

AMENDS:

~~H→ [23-14-14.2, as enacted by Laws of Utah 2007, Chapter 189] ←H~~

41-22-19.5, as enacted by Laws of Utah 2007, Chapter 299

53-2-403, as enacted by Laws of Utah 2007, Chapter 328

53-7-404 (Effective 07/01/08), as enacted by Laws of Utah 2007, Chapter 362

53C-3-203, as enacted by Laws of Utah 2007, Chapter 303

61-2-28, as enacted by Laws of Utah 2007, Chapter 325

63-38f-2303, as enacted by Laws of Utah 2007, Chapter 327

63-63a-10, as enacted by Laws of Utah 2007, Chapter 330



28 63-97a-201, as enacted by Laws of Utah 2007, Chapter 384

29 63-97a-202, as enacted by Laws of Utah 2007, Chapter 384

30 67-5-25, as enacted by Laws of Utah 2007, Chapter 392

31

32 *Be it enacted by the Legislature of the state of Utah:*

33 **Ĥ→ [Section 1. Section 23-14-14.2 is amended to read:**

34 ~~23-14-14.2. Wildlife Resources Conservation Easement Restricted Account.~~

35 ~~(1) There is created within the General Fund a restricted account known as the Wildlife~~
36 ~~Resources Conservation Easement Account.~~

37 ~~(2) The Wildlife Resources Conservation Easement Account consists of:~~

38 ~~(a) grants from private foundations;~~

39 ~~(b) grants from local governments, the state, or the federal government;~~

40 ~~(c) grants from the Quality Growth Commission created under Section 11-38-201;~~

41 ~~(d) donations from landowners for monitoring and managing conservation easements;~~

42 **and**

43 ~~(e) donations from any other person[; and];~~

44 ~~[(f) interest on account monies.]~~

45 ~~(3) (a) The state treasurer shall invest monies in the account according to Title 51,~~
46 ~~Chapter 7, State Money Management Act.~~

47 ~~(b) The Division of Finance shall deposit interest or other earnings derived from~~
48 ~~investment of account monies into the General Fund.~~

49 ~~[(3)] (4) Upon appropriation by the Legislature, the Division of Wildlife Resources~~
50 ~~shall use monies from the account to monitor and manage conservation easements held by the~~
51 ~~division.~~

52 ~~[(4)] (5) The division may not receive or expend donations from the account to acquire~~
53 ~~conservation easements.] ←Ĥ~~

54 Section **Ĥ→ [2] 1 ←Ĥ** . Section 41-22-19.5 is amended to read:

55 **41-22-19.5. Off-highway Access and Education Restricted Account -- Creation --**
56 **Funding -- Distribution of funds by the Board of Parks and Recreation.**

57 (1) There is created in the General Fund a restricted account known as the Off-highway
58 Access and Education Restricted Account.

- 59 (2) The account shall be funded by:
- 60 (a) contributions deposited into the Off-highway Access and Education Restricted
- 61 Account in accordance with Section 41-1a-230.6;
- 62 (b) private contributions; and
- 63 (c) donations or grants from public or private entities[; ~~or~~].
- 64 [~~(d) interest and earnings on fund monies.~~]
- 65 (3) Funds in the account are nonlapsing.
- 66 (4) The Legislature shall appropriate money in the account to the board.
- 67 (5) (a) The state treasurer shall invest monies in the account according to Title 51,
- 68 Chapter 7, State Money Management Act.
- 69 (b) The Division of Finance shall deposit interest or other earnings derived from
- 70 investment of account monies into the General Fund.
- 71 [~~(5)~~] (6) The board may expend up to 10% of the monies appropriated under
- 72 Subsection (4) to:
- 73 (a) administer account distributions in accordance with Subsections [~~(6)~~] (7) through
- 74 [~~(9)~~] (10); and
- 75 (b) administer off-highway vehicle provisions under this chapter.
- 76 [~~(6)~~] (7) The board shall distribute the funds to a charitable organization that:
- 77 (a) qualifies as being tax exempt under Section 501(c)(3) of the Internal Revenue
- 78 Code;
- 79 (b) has at least one full-time employee; and
- 80 (c) has as a primary part of its mission to:
- 81 (i) protect access to public lands by motor vehicle and off-highway vehicle operators;
- 82 and
- 83 (ii) educate the public about appropriate off-highway vehicle use.
- 84 [~~(7)~~] (8) The board may only consider proposals that are:
- 85 (a) proposed by a charitable organization under Subsection [~~(6)~~] (7); and
- 86 (b) designed to:
- 87 (i) protect access to public lands by motor vehicle and off-highway vehicle operators;
- 88 and
- 89 (ii) educate the public about appropriate off-highway vehicle use.

90 ~~[(8)]~~ (9) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking
 91 Act, the board shall make rules providing procedures for an organization to apply to receive
 92 funds under this section.

93 ~~[(9)]~~ (10) The board may not:

94 (a) require matching funds from a charitable organization as a condition of receiving
 95 funds; or

96 (b) prohibit the use of funds to cover litigation expenses incurred in protecting access
 97 to public lands by motor vehicle and off-highway vehicle operators.

98 Section ~~H~~→ [3] 2 ←~~H~~ . Section 53-2-403 is amended to read:

99 **53-2-403. State Disaster Recovery Restricted Account.**

100 (1) (a) There is created a restricted account in the General Fund known as the "State
 101 Disaster Recovery Restricted Account."

102 (b) The disaster recovery fund shall consist of:

103 (i) monies deposited into the disaster recovery fund in accordance with Section
 104 53-2-102.5;

105 (ii) monies deposited into the disaster recovery fund in accordance with Section
 106 63-38-2.7;

107 (iii) monies appropriated to the disaster recovery fund by the Legislature; and

108 (iv) any other public or private monies received by the division that are:

109 (A) given to the division for purposes consistent with this section; and

110 (B) deposited into the disaster recovery fund at the request of:

111 (I) the division; or

112 (II) the person giving the monies~~[-and]~~.

113 ~~[(v) interest or other earnings derived from the disaster recovery fund.]~~

114 (c) The Division of Finance shall deposit interest or other earnings derived from
 115 investment of fund monies into the General Fund.

116 ~~[(c)]~~ (d) Monies in the disaster recovery fund may only be used as follows:

117 (i) without the monies being appropriated by the Legislature, in any fiscal year the
 118 division may use \$100,000 to fund, in accordance with Section 53-2-404, costs to the state of
 119 emergency disaster services in response to a declared disaster; and

120 (ii) subject to being appropriated by the Legislature, monies not described in

121 Subsection (1)(~~e~~)(d)(i) may be used to fund costs to the state directly related to a declared
 122 disaster that are not costs related to:

123 (A) emergency disaster services;

124 (B) emergency preparedness; or

125 (C) notwithstanding whether or not a county participates in the Wildland Fire

126 Suppression Fund created in Section [~~65A-8-6.1~~] 65A-8-204, any fire suppression or

127 presuppression costs that may be paid for from the Wildland Fire Suppression Fund if the

128 county participates in the Wildland Fire Suppression Fund.

129 (2) The state treasurer shall invest monies in the disaster recovery fund according to

130 Title 51, Chapter 7, State Money Management Act[~~, except that the state treasurer shall deposit~~

131 ~~all interest or other earnings derived from the disaster recovery fund into the disaster recovery~~

132 ~~fund~~].

133 (3) (a) Except as provided in Subsection (1), the monies in the disaster recovery fund
 134 may not be diverted, appropriated, or used for a purpose that is not listed in this section.

135 (b) Notwithstanding Section 63-38-3.6, the Legislature may not appropriate monies

136 from the disaster recovery fund to eliminate or otherwise reduce an operating deficit if the

137 monies appropriated from the disaster recovery fund are used for a purpose other than one

138 listed in this section.

139 (c) The Legislature may not amend the purposes for which monies in the disaster

140 recovery fund may be used except by the affirmative vote of two-thirds of all the members

141 elected to each house.

142 Section ~~H~~→ [4] 3 ←~~H~~ . Section **53-7-404 (Effective 07/01/08)** is amended to read:

143 **53-7-404 (Effective 07/01/08). Certification and product change.**

144 (1) Each manufacturer shall submit to the state fire marshal a written certification

145 attesting that:

146 (a) each cigarette listed in the certification has been tested in accordance with Section

147 53-7-403; and

148 (b) each cigarette listed in the certification meets the performance standard set forth in

149 Subsection 53-7-403(2)(c).

150 (2) Each cigarette listed in the certification shall be described with the following

151 information:

- 152 (a) brand, or trade name on the package;
- 153 (b) style, such as light or ultra light;
- 154 (c) length in millimeters;
- 155 (d) circumference in millimeters;
- 156 (e) flavor, such as menthol or chocolate, if applicable;
- 157 (f) filter or nonfilter;
- 158 (g) package description, such as soft pack or box;
- 159 (h) marking approved in accordance with Section 53-7-405;
- 160 (i) the name, address, and telephone number of the laboratory, if different than the
- 161 manufacturer that conducted the test; and
- 162 (j) the date that the testing occurred.

163 (3) The certifications shall be made available to the attorney general for purposes
164 consistent with this part and the State Tax Commission for the purposes of ensuring
165 compliance with this section.

166 (4) Each cigarette certified under this section shall be recertified every three years.

167 (5) For each cigarette listed in a certification, a manufacturer shall pay to the state fire
168 marshal a \$250 fee. The state fire marshal is authorized to annually adjust this fee to ensure it
169 defrays the actual costs of the processing, testing, enforcement, and oversight activities
170 required by this part.

171 (6) (a) Beginning July 1, 2008, there is created a restricted account within the General
172 Fund called the "Reduced Cigarette Ignition Propensity and Firefighter Protection Act
173 Enforcement Account."

174 (b) The account created in Subsection (6)(a) shall consist of~~[(+)]~~ all certification fees
175 submitted by manufacturers~~[, and (ii) interest on account monies]~~.

176 (c) (i) The state treasurer shall invest monies in the account according to Title 51,
177 Chapter 7, State Money Management Act.

178 (ii) The Division of Finance shall deposit interest or other earnings derived from
179 investment of account monies into the General Fund.

180 (d) Upon appropriations from the Legislature, monies from the account created in
181 Subsection (6)(a) shall be used by the state fire marshal solely to support processing, testing,
182 enforcement, and oversight activities under this part.

183 (7) (a) If a manufacturer has certified a cigarette pursuant to this section, and thereafter
 184 makes any change to the certified cigarette that is likely to alter its compliance with the reduced
 185 cigarette ignition propensity standards required by this part, that cigarette shall not be sold or
 186 offered for sale in this state until the manufacturer:

187 (i) retests the cigarette in accordance with the testing standards set forth in Section
 188 53-7-403; and

189 (ii) maintains records of that retesting as required by Section 53-7-403.

190 (b) Any altered cigarette which does not meet the performance standard set forth in
 191 Section 53-7-403 may not be sold in this state.

192 Section ~~H~~→ [5] 4 ←~~H~~ . Section 53C-3-203 is amended to read:

193 **53C-3-203. Land Exchange Distribution Account.**

194 (1) As used in this section, "account" means the Land Exchange Distribution Account
 195 created in Subsection (2)(a).

196 (2) (a) There is created within the General Fund a restricted account known as the Land
 197 Exchange Distribution Account.

198 (b) The account shall consist of all revenue deposited in the account as required by
 199 Subsections 53C-3-202(2)(a)(ii) and (2)(b)(ii).

200 (3) (a) The state treasurer shall invest monies in the account according to Title 51,
 201 Chapter 7, State Money Management Act.

202 (b) The Division of Finance shall deposit interest or other earnings derived from
 203 investment of account monies into the General Fund.

204 [~~3~~] (4) For fiscal years beginning on or after fiscal year 2007-08, because the revenue
 205 is not derived from taxes, the Legislature shall annually appropriate from the account:

206 (a) 55% of all deposits made to the account to counties in amounts proportionate to the
 207 amounts of mineral revenue generated from the acquired land, exchanged land, acquired
 208 mineral interests, or exchanged mineral interests located in each county, to be used to mitigate
 209 the impacts caused by mineral development;

210 (b) 25% of all deposits made to the account to counties in amounts proportionate to the
 211 total surface and mineral acreage within each county that was conveyed to the United States
 212 under the agreement or an exchange, to be used to mitigate the loss of mineral development
 213 opportunities resulting from the agreement or exchange;

214 (c) 1.68% of all deposits made to the account to the State Board of Education, to be
 215 used for education research and experimentation in the use of staff and facilities designed to
 216 improve the quality of education in Utah;

217 (d) 1.66% of all deposits made to the account to the Geological Survey, to be used for
 218 natural resources development in the state;

219 (e) 1.66% of all deposits made to the account to the Water Research Laboratory at Utah
 220 State University, to be used for water development in the state; and

221 (f) 7.5% of all deposits made to the account to the Constitutional Defense Restricted
 222 Account created in Section 63C-4-103.

223 [~~(4)~~] (5) For fiscal years 2007-08 and 2008-09, the Legislature shall annually
 224 appropriate from the account 7.5% of all deposits made to the account to the Geological
 225 Survey, to be used for test wells and other hydrologic studies in the West Desert.

226 [~~(5)~~] (6) For fiscal years beginning on or after fiscal year 2009-10, the Legislature shall
 227 annually appropriate from the account 7.5% of all deposits made to the account to the
 228 Permanent Community Impact Fund created in Section 9-4-303, to be used for grants to
 229 political subdivisions of the state to mitigate the impacts resulting from the development or use
 230 of school and institutional trust lands.

231 Section ~~H~~→ [6] 5 ←~~H~~ . Section **61-2-28** is amended to read:

232 **61-2-28. Utah Housing Opportunity Restricted Account.**

233 (1) There is created in the General Fund a restricted account known as the "Utah
 234 Housing Opportunity Restricted Account."

235 (2) The account shall be funded by:

236 (a) contributions deposited into the Utah Housing Opportunity Restricted Account in
 237 accordance with Section 41-1a-422;

238 (b) private contributions; and

239 (c) donations or grants from public or private entities[~~; and~~].

240 [~~(d) interest and earnings on fund monies.~~]

241 (3) Funds in the account are nonlapsing.

242 (4) (a) The state treasurer shall invest monies in the account according to Title 51,
 243 Chapter 7, State Money Management Act.

244 (b) The Division of Finance shall deposit interest or other earnings derived from

245 investment of account monies into the General Fund.

246 [~~(4)~~] (5) The Legislature shall appropriate money in the account to the division.

247 [~~(5)~~] (6) The division shall distribute the funds to one or more charitable organizations
248 that:

249 (a) qualify as being tax exempt under Section 501(c)(3), Internal Revenue Code; and

250 (b) have as a primary part of their mission to provide support to organizations that
251 create affordable housing for those in severe need.

252 [~~(6)~~] (7) The division may only consider proposals that are:

253 (a) proposed by an organization under Subsection [~~(5)~~] (6); and

254 (b) designed to provide support to organizations that create affordable housing for
255 those in severe need.

256 [~~(7)~~] (8) (a) An organization described in Subsection [~~(5)~~] (6) may apply to the division
257 to receive a distribution in accordance with Subsection [~~(5)~~] (6).

258 (b) An organization that receives a distribution from the division in accordance with
259 Subsection [~~(5)~~] (6) shall expend the distribution only to provide support to organizations that
260 create affordable housing for those in severe need.

261 [~~(8)~~] (9) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking
262 Act, the division shall make rules providing procedures for an organization to apply to receive
263 funds under this section.

264 Section ~~6~~ → [7] 6 ← ~~6~~ . Section **63-38f-2303** is amended to read:

265 **63-38f-2303. Rural Broadband Service Fund created -- Interest -- Costs --**
266 **Deposits to the General Fund.**

267 (1) There is created within the General Fund a restricted account known as the Rural
268 Broadband Service Fund.

269 (2) The fund shall be funded by [~~(a)~~] monies appropriated to the fund by the
270 Legislature[; and (b) the interest described in Subsection (3)].

271 [~~(3) (a) The fund shall earn interest.~~]

272 [~~(b) The interest described in Subsection (3)(a) shall be deposited into the fund.~~]

273 (3) (a) The state treasurer shall invest monies in the account according to Title 51,
274 Chapter 7, State Money Management Act.

275 (b) The Division of Finance shall deposit interest or other earnings derived from

276 investment of account monies into the General Fund.

277 (4) Upon appropriation by the Legislature, the monies [~~and interest~~] deposited into the
278 fund in accordance with this section may be expended:

279 (a) by the director with the advice of the board to award grants to providers as provided
280 in this part; and

281 (b) to cover the costs of administering this part in an amount during any fiscal year not
282 to exceed 2% of the fund balance at the start of any fiscal year.

283 (5) (a) Except as provided in Subsection (5)(b), the monies [~~and interest~~] deposited into
284 the fund in accordance with this section [~~shall be~~] are nonlapsing.

285 (b) Notwithstanding Subsection (5)(a), the Division of Finance shall deposit any
286 monies [~~and interest~~] in the fund into the General Fund on July 1, 2010.

287 Section ~~H~~ → [8] 7 ← ~~H~~ . Section **63-63a-10** is amended to read:

288 **63-63a-10. Law Enforcement Operations Account -- Share of surcharge -- Uses.**

289 (1) As used in this section:

290 (a) "Account" means the Law Enforcement Operations Account.

291 (b) "Commission" means the Commission on Criminal and Juvenile Justice created in
292 Section 63-25a-101.

293 (c) "Law enforcement agency" means a state or local law enforcement agency.

294 (d) "Other appropriate agency" means a state or local government agency, or a nonprofit
295 organization, that works to prevent illegal drug activity and enforce laws regarding illegal drug
296 activity and related criminal activity by:

297 (i) programs, including education, prevention, treatment, and research programs; and

298 (ii) enforcement of laws regarding illegal drugs.

299 (2) There is created a restricted account within the General Fund known as the Law
300 Enforcement Operations Account.

301 (3) (a) The Division of Finance shall allocate the balance of the collected surcharge
302 under Section 63-63a-1 that is not allocated under Title 63, Chapter 63a, Crime Victim
303 Reparation Trust, Public Safety Support Funds, Substance Abuse Prevention Account, and
304 Services for Victims of Domestic Violence Account, to the account, to be appropriated by the
305 Legislature.

306 (b) Money in the account shall be appropriated to the commission for implementing

307 law enforcement operations and programs related to reducing illegal drug activity and related
308 criminal activity as listed in Subsection (5).

309 (c) The state treasurer shall invest monies in the account according to Title 51, Chapter
310 7, State Money Management Act.

311 (d) The Division of Finance shall deposit interest or other earnings derived from
312 investment of account monies into the General Fund.

313 (4) (a) The commission shall allocate grants of funds from the account for the purposes
314 under Subsection (5) to state, local, or multijurisdictional law enforcement agencies and other
315 appropriate agencies.

316 (b) The grants shall be made by an application process established by the commission
317 in accordance with Subsection (6).

318 (5) (a) The first priority of the commission is to annually allocate not more than
319 \$2,500,000, depending upon funding available from other sources, to directly fund the
320 operational costs of state and local law enforcement agencies' drug or crime task forces,
321 including multijurisdictional task forces.

322 (b) The second priority of the commission is to allocate grants for specified law
323 enforcement agency functions and other agency functions as the commission finds appropriate
324 to more effectively reduce illegal drug activity and related criminal activity, including
325 providing education, prevention, treatment, and research programs.

326 (6) (a) In allocating grants and determining the amount of the grants, the commission
327 shall consider:

328 (i) the demonstrated ability of the agency to appropriately use the grant to implement
329 the proposed functions and how this function or task force will add to the law enforcement
330 agency's current efforts to reduce illegal drug activity and related criminal activity; and

331 (ii) the agency's cooperation with other state and local agencies and task forces.

332 (b) Agencies qualify for a grant only if they demonstrate compliance with all reporting
333 and policy requirements applicable under this section and under Title 63, Chapter 25a,
334 Criminal Justice and Substance Abuse, in order to qualify as a potential grant recipient.

335 (7) Recipient agencies may only use grant monies after approval or appropriation by
336 the agency's governing body, and a determination that the grant monies are nonlapsing.

337 (8) A recipient law enforcement agency may use funds granted under this section only

338 for the purposes stated by the commission in the grant.

339 (9) For each fiscal year, any law enforcement agency that receives a grant from the
340 commission under this section shall prepare, and file with the commission and the state auditor,
341 a report in a form specified by the commission. The report shall include the following
342 regarding each grant:

- 343 (a) the agency's name;
- 344 (b) the amount of the grant;
- 345 (c) the date of the grant;
- 346 (d) how the grant has been used; and
- 347 (e) a statement signed by both the agency's or political subdivision's executive officer
348 or designee and by the agency's legal counsel, that all grant funds were used for law
349 enforcement operations and programs approved by the commission and that relate to reducing
350 illegal drug activity and related criminal activity, as specified in the grant.

351 (10) The commission shall report in writing to the legislative Law Enforcement and
352 Criminal Justice Interim Committee annually regarding the grants allocated under this section,
353 including the amounts and uses of the grants.

354 Section ~~H~~→ [9] § ~~H~~ . Section 63-97a-201 is amended to read:

355 **63-97a-201. Creation of Infrastructure and Economic Diversification Investment**
356 **Account.**

357 (1) (a) There is created a restricted account within the General Fund known as the
358 "Infrastructure and Economic Diversification Investment Account."

359 (b) The Infrastructure and Economic Diversification Investment Account shall consist
360 of:

- 361 (i) all monies credited to the account under Section 63-97a-202;
- 362 (ii) appropriations from the Legislature; and
- 363 (iii) grants from private foundations[; ~~and~~].
- 364 [~~(iv) interest and investment earnings on account monies.~~]

365 [~~(2) (a) The Infrastructure and Economic Diversification Investment Account shall earn~~
366 ~~interest.~~]

367 [~~(b) All interest earned on monies in the Infrastructure and Economic Diversification~~
368 ~~Investment Account shall be deposited into the Infrastructure and Economic Diversification~~

369 ~~Investment Account.]~~

370 (2) (a) The state treasurer shall invest monies in the account according to Title 51,
 371 Chapter 7, State Money Management Act.

372 (b) The Division of Finance shall deposit interest or other earnings derived from
 373 investment of account monies into the General Fund.

374 (3) The Legislature may appropriate monies from the Infrastructure and Economic
 375 Diversification Investment Account for infrastructure and economic diversification investment
 376 projects.

377 Section ~~H~~→ [10] 9 ←~~H~~ . Section **63-97a-202** is amended to read:

378 **63-97a-202. Creation of Severance Tax Holding Account -- Distribution of funds**
 379 **in the account.**

380 (1) (a) There is created a restricted account within the General Fund known as the
 381 "Severance Tax Holding Account."

382 (b) The Severance Tax Holding Account shall consist of:

383 (i) appropriations from the Legislature; and

384 (ii) grants from private foundations~~[-and]~~.

385 ~~[(iii) interest and investment earnings on Severance Tax Holding Account monies.]~~

386 ~~[(2) (a) The Severance Tax Holding Account shall earn interest.]~~

387 ~~[(b) All interest earned on monies in the Severance Tax Holding Account shall be~~
 388 ~~deposited into the Severance Tax Holding Account.]~~

389 (2) (a) The state treasurer shall invest monies in the account according to Title 51,
 390 Chapter 7, State Money Management Act.

391 (b) The Division of Finance shall deposit interest or other earnings derived from
 392 investment of account monies into the General Fund.

393 (3) If authorized by law the Division of Finance shall deposit all of the monies in the
 394 Severance Tax Holding Account as of June 30, 2009, into the permanent state trust fund.

395 (4) The state treasurer shall invest and separately account for the earnings on funds that
 396 are deposited into the permanent state trust fund under this section.

397 (5) (a) In accordance with Utah Constitution Article XXII, Section 4, the interest and
 398 dividends earned annually on revenue from severance taxes that are deposited into the
 399 permanent state trust fund shall be deposited in the General Fund.

400 (b) Interest and dividends earned on revenue from severance taxes that are deposited in
 401 the General Fund pursuant to Subsection (5)(a) shall be credited to the Infrastructure and
 402 Economic Diversification Investment Account created in Section 63-97a-201.

403 Section ~~H~~→ [H] 10 ←~~H~~ . Section **67-5-25** is amended to read:

404 **67-5-25. Litigation Fund for Highway Projects Account.**

405 (1) There is created within the General Fund a restricted account known as the
 406 Litigation Fund for Highway Projects Account.

407 (2) The Litigation Fund for Highway Projects Account consists of:

408 (a) appropriations made to the account by the Legislature;

409 (b) transfers to the account from highway project funds as approved by the
 410 Transportation Commission; and

411 (c) any donations made to the account[~~; and~~].

412 [~~(d) interest on account monies.~~]

413 (3) (a) The state treasurer shall invest monies in the account according to Title 51,

414 Chapter 7, State Money Management Act.

415 (b) The Division of Finance shall deposit interest or other earnings derived from
 416 investment of account monies into the General Fund.

417 [~~(3)~~] (4) (a) Upon appropriation by the Legislature, the attorney general shall use
 418 monies from the account to pay litigation expenses for defending legal actions filed against the
 419 state that challenge highway projects.

420 (b) The Legislature intends that monies in the account be appropriated for a project's
 421 litigation expenses before appropriating funds for litigation expenses from any other source.

422 [~~(4)~~] (5) The Division of Finance shall:

423 (a) establish subaccounts within the Litigation Fund for Highway Projects Account to
 424 hold monies appropriated by the Legislature for litigation expenses for different highway
 425 projects;

426 (b) apportion donations received equally among subaccounts unless the donor directs
 427 that the donation:

428 (i) be used to defend a specific legal action; or

429 (ii) be deposited into a specific subaccount; and

430 (c) apportion interest between subaccounts proportionally based upon the balance of

431 each subaccount.
432 [~~5~~] (6) When some or all of the money appropriated to fund litigation expenses for a
433 particular highway project is not expended, the Legislature shall:
434 (a) appropriate those unused monies to the LeRay McAllister Critical Land
435 Conservation Fund created by Section 11-38-301; or
436 (b) return the money to the donor.
437 Section ~~H~~→ [12] 11 ←~~H~~ . **Effective date.**
438 This bill takes effect on July 1, 2008.

Legislative Review Note
as of 1-31-08 12:23 PM

Office of Legislative Research and General Counsel

H.B. 410 - Restricted Accounts Amendments

Fiscal Note

2008 General Session
State of Utah

State Impact

Enactment of this bill, assuming current balances in affected restricted accounts, would shift approximately \$1,660,000 in annual interest earnings from the restricted accounts to the General Fund.

	<u>FY 2008</u> <u>Approp.</u>	<u>FY 2009</u> <u>Approp.</u>	<u>FY 2010</u> <u>Approp.</u>	<u>FY 2008</u> <u>Revenue</u>	<u>FY 2009</u> <u>Revenue</u>	<u>FY 2010</u> <u>Revenue</u>
General Fund	\$0	\$0	\$0	\$0	\$1,660,000	\$1,660,000
Restricted Funds	\$0	\$0	\$0	\$0	(\$1,660,000)	(\$1,660,000)
Total	\$0	\$0	\$0	\$0	\$0	\$0

Individual, Business and/or Local Impact

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.